

## CITY COUNCIL REPORT

DATE: December 23, 2014

TO: Mayor, Vice Mayor, and Councilmembers

FROM: Barney Helmick, Airport Director  
Heidi Hansen, Interim Economic Vitality Director

CC: Kevin Burke, Josh Copley, Jerene Watson, City Leadership Team

SUBJECT: Airport Parking

This is in response to Councilmember Overton's request for information on parking at the Airport during the December 16, 2014 Council meeting.

### DISCUSSION

The current Airport parking lot was funded with an FAA grant which brings a twenty year obligation. This obligation does not allow the City to generate revenue with the existing parking lot. Although, if the City was able to find a funding source to build a long-term parking lot/structure near or adjacent to the existing parking lot, the City would be able to charge for parking.

The existing parking lot is located within the terminal loop road across from the terminal building. There are a total of 396 parking spaces. The City does not currently charge for the flying public to park in this lot. Most of the employees who work in the terminal businesses use the parking lot as well.

We have had two studies done to review how to increase our Airport Parking. The first study in 2007 was through the Airport Master Plan. This was completed October 2007 and stated that current parking levels were adequate until enplanements reached 124,000 annually. If we met the enplanements, we would be required to increase the spaces to 510 and the study recommended we build a two story parking garage for an estimated cost of \$8,000,000. The second study was completed in July 2008 and stated they would remove landscaping to re-arrange parking spots in the existing parking lot. This would be a net gain of 114 parking spaces at a cost of \$934,800.

## RECOMMENDATION / CONCLUSION

Until recently, the City of Flagstaff and FAA regional staff believed that the parking structure would be eligible for FAA grant funding. During recent discussions with FAA Headquarters, we were advised that public parking structures are not FAA grant eligible. Therefore, these are the options to fund the expansion of airport parking.

- The City could issue a bond for parking and begin charging a fee.
- The City could obtain a low interest loan from ADOT Aeronautics.
- The City could fund through the General Fund.
- Passenger Facilities Charges could be used toward paying off funding, but would only cover a percentage of the cost.

Each of these would require some type of fee to pay off any obligations.